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1984

Annual City Report

Berlin, New Hampshire



For Fiscal Period
July 1, 1983 to June 30, 1984



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LOCAL GOVERNMENT HELPING THE CITY



YOUR GOVERNMENT CONSIST OF PEOPLE WHO ARE ELECTED, APPOINTED, AND EMPLOYED TO PROVIDE EDUCATION, FIRE AND POLICE PROTECTION, LIBRARIES, RECREATION AND PARKS, HEALTH PROGRAMS, SNOWPLOWING, POLLUTION CONTROL AND MORE. GOVERNMENT IS ONLY ONE PART OF OUR CITY. OUR CITY IS PEOPLE WHO WANT TO MOVE FORWARD, REFLECT UPON THE PAST AND MAKE SIGNIFICANT IMPROVEMENTS TO OUR STREETS, BRIDGES, INDUSTRY, AND OUR QUALITY OF LIFE.

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PHOTO CREDITS

Norm Charest
Rose Dodge
Roland Sherman
Jeff Taylor



THE BERLIN CITY COUNCIL



WARD I: DAVID B. GILCHRIST
GERARD J. DUSSAULT



WARD II: RICHARD H. RAMSAY, JR.
JOSEPH J. MURRAY



WARD III: RAYMOND G. CHAGNON
DORIS J. PURINGTON



WARD IV: RONALD R. DEMERS
MARGARET L. NEIL

CITY MANAGER'S REPORT

Fellow Citizens of Berlin:

Nineteen hundred and eighty-four can definitely be classified as a turnaround year for Berlin. Economic and industrial development efforts are yielding direct benefits to our citizens and area alike. Business and industrial relocations and expansions are happening. The electronics and communications fields as well as traditional production industries are providing a larger variety of work and a more stable local economy. Economic and industrial efforts among the North Country communities have taken a significant step towards regional cooperation through the Bretton Woods' meetings. This same spirit was formalized between Gorham and Berlin with the immediate success of an electronics firm moving to our area employing more than forty people.

While these efforts continued, City Government improved its efficiency of management. A new computerization system was installed in July providing greatly improved information management for records and billings. Policies to govern our employees were adopted and City Council has embarked on a Goal Setting process for short-term and long-term City needs.

The City's commitment to repairing the improving street, pipeline and bridge systems continued. The 16" water line connecting the East Side with the West Side was completed providing a better water supply and a greatly improved transportation route on Coos Street. The Summer Street Resurfacing Program was responsible for water and road systems improvements on Wood, Sherry, and Howard Streets while Public Works concentrated on street and sidewalk repairs. The completion of the East Side Sewer System is a major effort that will continue through the awarding of Contract 10 which will impact sections of Goebel, Grafton, Champlain, and Burgess Streets. The Bridge Maintenance Program has identified and initiated work on various bridges to preserve their useful life.

The commitment to downtown improvements will be evident through the multiple year Moxie Alley Project. One of our greatest resources is the Berlin Downtown Business District and over the next decade, its value to a stable economy will sharply increase.

In summary, 1984 was a good year for Berlin. Economic and industrial development, better government management and infrastructure improvements were complimented by the cooperation that must exist between all officials to make this kind of progress continue. These must all continue into 1985 as well as special efforts for sound long-term planning and resolution of the sewer project. As your City Manager, I see Berlin as a City of business, industry, people and resources all working for a better community.

Respectfully submitted,

MITCHELL A. BERKOWITZ
City Manager



City Manager Mitch Berkowitz, Mayor Joe Ottolini, and Chamber Director Dick Day review economic and industrial projects for the City of Berlin

MAYOR'S ANNUAL REPORT

As Mayor, I look back on 1984 and I am firmly convinced that the philosophies and positions of the Council and I, as Mayor, indicate the appropriate directions to continue pursuing. As you review the various departments closely, the same philosophies and policies are being implemented whether it be in economic development, community development, planning or specific budgetary concerns.

The budget process is a tool used for setting policy on a year to year basis. Goal setting is a tool for long-range policy making. The full Council has embarked upon a major goal setting program which involves staff, Council, and citizen input.

In periods of fiscal restraints and cutbacks in budgets, the Council's attention normally focuses on current crises, and they must deal with each emergency as it arises. Long-range planning seems like a luxury when necessity requires dealing with crisis after crisis. But the cycle of crisis management can only be broken by long-range planning, and with this kind of planning we can provide the standards against which we can evaluate our year to year budgets. This program will ensure continued economic growth and a budget that the taxpayers can afford.

As we look to 1985, we can foresee numerous problems that will have to be dealt with. Such things as President Reagan's budget cuts and how they will affect the City and whether the City will be going to court to get the sewer litigation situation resolved. I can assure the citizens of Berlin that the City Manager, Department Heads, and Council will continue to work in the best interest of the City.

In closing, I wish to express my appreciation to members of the City Council, to all Department Heads, Boards, Commissions, Employees and to the Citizens of Berlin for their cooperation and assistance.

Respectfully submitted,

JOSEPH J. OTTOLINI
Mayor



ASSESSORS' REPORT

It is the responsibility of the Board of Assessors to discover, list, and value all taxable property in their jurisdiction. The Board is further responsible for the assessment of the Resident Tax, Yield Tax on timber cut within their domain, Current Use, and Payment in Lieu of Taxes by the Federal Government for White Mountain National Forest Land.

Assessors must further administer the various forms of tax relief provided for in the statutes, including elderly, blind, physically handicapped, veterans and the determination of the exempt status of religious and charitable organizations in the municipality.

The following statistical summary of Fiscal Year 1983-1984 as reported by the Board of Assessors for the City of Berlin:

EXEMPTIONS GRANTED

TYPE	NUMBER	TAX DOLLARS
Elderly	413	159,170.60
Blind	20	11,400.00
Physically Handicapped	2	456.00
Water/Air Pollution Control	2	186,312.71
Veterans	1,096	60,800.00

ASSESSMENTS

TYPE	NUMBER	TAX DOLLARS
Resident Tax	7,489	74,890.00
Yield Tax	11	7,994.14
PILT	1	33,902.00

ASSESSMENTS UPDATE

Building Permits Reviewed	314
Property Transfers Processed	304

SUMMARY INVENTORY OF TAXABLE PROPERTY April 1, 1984

As the Summary below illustrates, the Gross Valuation of the City for Tax Year 1984 is \$190,758,866. The resultant tax (mill) rate, computed by dividing the Appropriations by the Net Valuation, is .038 or \$38.00 per thousand dollars of valuation.

Land	25,189,300	
Building	155,916,466	
Public Utilities	9,653,100	
	GROSS VALUATION	190,758,866
Blind Exemptions	300,000	
Elderly Exemptions	4,188,700	
Physically Handicapped Exemptions	12,000	
Water/Air Pollution Control Exemption	4,902,966	
	TOTAL EXEMPTIONS	9,403,666
	NET VALUATION	181,355,200

The Board of Assessors will continue its policy of striving for fair and equitable administration of the State of New Hampshire assessment laws and the maintenance of its open door policy for those with questions or problems regarding assessments/assessment procedure.

Respectfully submitted,

RICHARD J. STAPLETON
City Assessor

WELFARE DEPARTMENT'S REPORT

The Welfare Department administers General Assistance to citizens of the City of Berlin who lack adequate resources for their basic needs as defined by the State of New Hampshire Welfare Laws, and participates financially in State Programs of Categorical Assistance. Recipients who are able-bodied are required to work for the City at a job that is within his or her capacity for the assistance it provides at the rate of the legal minimum hourly rate.

The following statistical summary denotes the amount of cases and persons assisted financially by categories for the fiscal year 7/1/83 to 6/30/84:

CATEGORY	CASES	PERSONS	FAMILIES	SINGLES
Direct Assistance	86	163	43	43
Aid Furnished to Veterans and Their Families	16	40	10	6
Board and Care	9	9	--	9
Out of Town & County Cases (Reimbursed)	2	6	1	1
Old Age Assistance	4	4	--	4
Aid to Permanently and Totally Disabled	19	19	--	19
Intermediate Nursing Care	41	41	--	41
	177	282	54	123

A total of 235 other cases were not assisted financially but were provided with information, counseling, and direction to appropriate agencies for available help.

Respectfully submitted,

ANNETTE LANGEVIN
Administrator of Welfare

CITY CLERK'S REPORT

SUMMARY OF CITY CLERK'S ACTIVITIES:

Motor Vehicle Registrations	10,051
Finance Statements	374
Termination Statements	32
Dog Licenses	374
Game Room Licenses	14
Bowling Alley License	1
Junk Yard Licenses	3
Theater License	1

VITAL RECORDS

Births	188
Marriages	110
Deaths	176
Requests For Certified Copies	780

Respectfully submitted,

LISE MALIA
City Clerk





LIBRARY HOURS

Adult Section: 10:00 a.m. to 9:00 p.m.
Monday through Friday

Juvenile Section: 2:00 to 5:00 p.m. & 6:00 to 8:00 p.m.
Monday through Friday



LIBRARIAN'S REPORT

ACTIVITIES DURING THE YEAR

SUMMER READING PROGRAM:

The theme of the program was "Blast off to adventure." The children received a star sticker for their charts for each completed project. One hundred and thirty-seven children entered the program and sixty-six completed the twelve required projects. A party was held for those who finished. The library staff provided lemonade and home baked treats. The films shown were "Floating Free" and "The Magic Rolling Board." Each child received their completed chart and a notebook, pen and lollipops provided by E & S Computing, and passes for free popcorn provided by Skate-Y-Cat.

CHILDREN'S BOOK WEEK:

A total of twenty-four classes visited the library during the weeks of October 24th to November 4th, in observance of Book Week.

ART MONTHS:

The Art Program was held during March and April. The entrants spun a dial on a game board to determine their subject. There were sixty-eight entrants, and eight winners were chosen. They received color puzzle books and a set of colored felt tip pens.

STORY HOUR:

Story hour is held every Thursday morning in July and August. Average attendance is around 20 to 30 children who participate in songs, finger plays and crafts.

FILM PROGRAM:

Films are shown every Thursday afternoon from September through June at 3:00 p.m. Average attendance is 15 to 20 children.

OTHER ACTIVITIES DURING THE YEAR:

Fine Forgiveness Week is held every year during National Library Week in April.

Many classes from Milan and Berlin visited the library during the year.

Applied for grants from the N.H. Council for the Humanities with the librarian at the N.H. Vocational Technical College, and received one for a reading discussion series titled "Quest for the American Dream" and one for "Orwell's 1984." One program was held in the fall and the other in the spring. Both were well attended, and we have been requested to apply for more. Programs are held at the N.H. Vocational Technical College with the Berlin Public Library and the College as co-sponsors.

Head Librarian gave talks to classes at Berlin High School on Career Day, and attended workshops, conferences, North Country Forum Meetings and meetings with local librarians.

In the winter the "Mill on Main Street" will be presented in a series of three meetings at the N.H.V.T.C. with the Berlin Public Library and the College as sponsors. Exhibits will be on display for a month in the area for the general public to view. This all is made possible from a grant that the N.H. State Library received from the N.H. Council for the Humanities.

Head Librarian has served as proctor for students taking exams from Saint Joseph College under the external degree programs.

Respectfully submitted,

INEZ HAMLIN
Librarian

CIRCULATION

ADULTS	JUVENILE	TOTAL
40,479	17,498	57,977

LIBRARY RESOURCES

	ADULT	JUVENILE	TOTAL
Total Vols. at End of Year	23,403	12,090	35,493
Total Number of Borrowers	7,579	3,310	10,889

PUBLIC WORKS DEPARTMENT REPORT

The activities assigned to the Public Works Department were construction and maintenance of streets, sidewalks, sanitary and surface water systems, regulation of street opening permits, installation and maintenance of street name signs and traffic signs and signals, maintenance of 70 P.W.D. motor vehicles and a number of other City departments, public buildings and street parking facilities, daily household refuse collection and disposal operations (sanitary landfill) for the City of Berlin and a number of surrounding towns, spring and fall clean-up weeks, the maintenance of three cemeteries, street salting, snowplowing and removal.

The summer work program proved to be very successful again this year. Extra work done by the department consists of painting the airport runway center line and end bars; cutting of brush and trees at the ends of the runway; helped with the construction of two pits at the Cates Hill Landfill for the burning of wood from the demolition of homes, etc.; and, cleaning of the entrances to Cates Hill and East Milan Landfills.

In addition, P.W.D. purchases included one pick-up truck, a Bombardier, and one used garbage packer.

Catch Basins and Manholes.....	44
New Catch Basins and Manholes.....	8
New Drain Line.....	469'
Replace Drain Lines.....	562'
Replace Sewer Drain Line.....	142'
Street Paving & Patching.....	1,377.57 tons
Salt for Winter Use.....	2,363.28 tons
Sand for Winter Use.....	1,417.54 tons

Respectfully submitted,

MAURICE WHEELER
Public Works Director

RECREATION AND PARKS DEPARTMENT REPORT

The Recreation and Parks Department continued to provide a myriad of leisure services to the community in 1984. A continuing effort was put forth to accommodate the leisure demands of adults and young people through a four season schedule of traditional and unique recreational programming. Continued and increased registration in a variety of health and leisure oriented programs has been evident.

Service to Berlin's special population has continued through 1984. In this Olympic Year, Berlin's Olympic Spirit was evident with the North Country Special Olympics Competition coordinated through this Department. This event was a major success in community spirit, corporate support, and, most importantly, in the area of special citizens exemplifying the slogan, "I Can Too." Mayfest participation was also a successful special population experience with handicapped citizens traveling to a day of crafts, music, and fun at Mt. Sunapee State Park through the efforts of this department.

Park maintenance activities of note in 1984 included improvements to the Hutchins Street playground facility, Centennial Park, continued improvements to various softball sites, and the addition of electrical service to the Co-Op Bank Park. As with our extensive standard maintenance services, these specially noted activities were executed with citizen use in mind.

Nineteen hundred and eight-four was a year of change and improvement at Jericho Lake Park. With the support of a Federal Jobs Bill Grant, major improvements were made to the family recreation facility. Major roof and building repair was executed to provide more accommodating bathhouse and shelter facilities. Improved water quality was achieved by extensive cleaning of the park's water tank. Accessibility to the beach and picnic area was improved with the development of a lower level parking area. A major change at Jericho Lake was the addition of a BMX bike track designed to accommodate Berlin's youth.

The Recreation and Parks Commission continued their efforts to support current recreational endeavors as well as study future recreational demands. The Commission, along with other citizens, has developed the Jericho Lake Study Committee to determine future uses for this facility. A major endeavor of this committee will be to survey community attitudes towards future development at the park.

The Recreation and Parks Department affirms its commitment to continued leisure activities for the community and to continue to promote the ideal of Life. Be In It.

Respectfully submitted,

LAURA LEE VIGER
Superintendent
Berlin Recreation and Parks Department



Life.Be in it.™
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BERLIN POLLUTION CONTROL REPORT

The Pollution Control Department, specifically the Wastewater Treatment Facility, has completed five full years of operation. Once again, operational standards have been met and in fact, exceeded, reflecting the professionalism and commitment held by the Department's entire staff to continue to provide the best possible operation and maintenance of the facility at the least expense to the citizens of Berlin.

In the past fiscal year, between July 1, 1983 and June 30, 1984, the Wastewater Treatment Facility processed 913 million gallons of raw wastewater. Contained in that 913 million gallons of sewage were 833,660 pounds (417 tons) of solids and over 1 million pounds (540 tons) of BOD (Biochemical Oxygen Demand). The treatment process removed 94% of those solids or 783,640 pounds, and 92% or 933,968 pounds of BOD; well in excess of EPA minimum requirements of 85% removal. From a practical standpoint, 400 tons of raw sewage sludge were prevented from being discharged into the Androscoggin River. The annual cost to provide this level of treatment was 39 cents per 1,000 gallons treated, well below State averages for other treatment systems in New Hampshire.

Recognizing the continual need to update and improve our skills and to keep pace with new technical advancements, all personnel participated in training and educational seminars over the past year. In addition, the Berlin Pollution Control Facility is proud to be one of the few treatment plants in the State of New Hampshire to have an in-house computer. The computer, acquired in early 1984, will open up new and exciting methods to handle everyday activities and provide capabilities to try new approaches to process, control and wastewater treatment, on a cost effective basis.

As another fiscal year begins, our goals at Pollution Control remain intact. These goals include continuing efforts at energy conservation, implementing cost effective technologies, fine tuning our treatment process, achieving higher State Licensing in the wastewater field and persisting in professional and personal growth and development through educational and training opportunities.

Great strides have been made in the cleanup and protection of our State's rivers and waterways since passage of the Clean Water Act. Much remains to be done and major commitments of time and money will be required to continue what has been started. The Berlin Pollution Control Department is proud to have an active part in that commitment to clean water and looks forward to the challenges of tomorrow.

Respectfully submitted,

CHARLES P. MCDOWELL, JR.
Superintendent

BERLIN WATER WORKS REPORT

A total of 1,169 million gallons, 58 million gallons more than last year, entered the Berlin Water Works distribution system from our two Water Treatment Plants and the Brown Farm Well.

Water Commissioners voted a 1984 calendar year operations budget of \$1,070,500 which is \$5,571 less than the 1983 budget and \$39,402 less than the 1981 budget. Starting with the January, 1984 quarterly water bill, hydrant charge per dwelling unit for fire protection was lowered from \$6 to \$5 per dwelling unit. Revenue loss per year is estimated at \$18,000 as a result of this change. Water rates and assessment fees have not been increased during this report period.

Interest and principal payments totaling \$177,500 due on the Water Bond for the Androscoggin Water Treatment Facility was paid to the City out of assessment funds collected from water customers.

Water distribution improvements were made by the Water Board during this report period as follows:

PROJECT	TOTAL COST
Marne Ave.-from Maynesboro to Verdun 524 ft. of 8" pipe	\$30,196.03
Howard St.-Providence Ave. Tie-In 283 ft. of 8" pipe	8,649.25
Jasper-Portland St.-from River St. to Portland 784 ft. of 8" pipe	65,023.34
Denmark St. from Pine Island to Twelve "B" St. Twelve "B" from Sweden to Denmark - Elimination of 2" lines and connect service lines to exist- ing larger diameter pipe	13,006.04

PROJECT

Fifth Ave.-from Labossiere to Madigan
Labossiere-from Sixth Ave. to Fifth Ave.
1,220 ft. of 8" pipe

TOTAL COST

\$60,449.96

In addition, the Board of Water Commissioners voted to improve the Water Distribution System during the 1984 construction season on Seventh and Norway Streets, First Avenue and Roderick Streets and to improve the Kent Street Pumping Station with new inlet and outlet piping, new pump, electrical and general building improvements.

Upon approval of the City, the Board of Water Commissioners entered into a contract with Midway Excavators, Inc. for installing a new eight inch water main from Coos St. to the Hillsboro St. pumping station. The initial contract amount was for \$87,130.10 with the final contract cost being \$77,627.25, a savings of \$9,502.85. This project was funded by City FY 84 funds appropriated for East Side Water Improvements with the balance being used by Mayor and Council to fund the 16 inch water main on Coos Street which was constructed in 1984. In addition, the 16 inch water main crossing of the Androscoggin River was placed under contract with Midway Excavators and is to be funded by City FY 83 funds which were set aside for matching funds for Unity-Coos Street improvements under the Community Development Director.

At Godfrey Dam, a safety cable over the flashboard and a safety railing along the concrete walkways of the dam were installed at a cost of \$1,489. Security fencing was installed around the Cates Hill and Halvorson water storage tanks at a cost of \$3,850. Both of these small capital projects will assist in keeping insurance liability costs at a minimum.

In anticipation of future needs for ground water for the City, the Board of Water Commissioners contracted with D. L. Maher Company to perform a detailed study of ground water potential for future water supply sources. The study which cost \$3,500 revealed areas where ground water potential is available and the study recommended protection of these areas with further study of quality and quantity of these potential sources.

Assistant Superintendent, Larry Hodgman, has completed 25 years of loyal service to the Berlin Water Works. Acknowledgement of his service to the Berlin Water Works customers is made at this time by saying "thank you Larry" on behalf of our water customers.

Respectfully submitted,

ALBIN D. JOHNSON, P.E.
Superintendent & Chief Engineer



Assistant Superintendent Larry Hodgman at Willow Street Storehouse

REPORT OF THE POLICE DEPARTMENT

The function of the Police Department is to serve mankind, safeguard lives and property and protect the peaceful from violence. The department is also charged with the enforcement of the laws of the State of New Hampshire and the laws and ordinances of the City. Some of the departmental activities during the past fiscal year include lecturing to numerous organizations, firearms training for northern New Hampshire, supervising Police Explorers Association, an organization for high school youths who wish to become police oriented, and the following:

Complaints, Investigated.....	2,675
Escorts.....	204
Auto Accidents, Investigated.....	532
Doors Found Unlocked.....	140
Blood Runs.....	8
Dog Complaints.....	316
Dogs To Pound.....	52
Fires Reported.....	31
Deaths Investigated.....	3
Messages Delivered.....	126
Equipment Escorts.....	18
Assistance Given.....	389
Domestic Violence Petitions Served.....	46
Burglaries Reported.....	29
Thefts Reported.....	258
Alarms Answered.....	305
Warnings Given.....	249

Investigations and Arrests

Assaults, Aggravated.....	3
Assaults, Other.....	49
Motor Vehicle Summonses.....	766
Burglary.....	23
Auto Thefts.....	2
Drug Offenses.....	58
D.W.I.....	78
Disorderly Conduct.....	11
Criminal Mischief.....	33
Criminal Threatening.....	16
Criminal Trespass.....	16
Theft.....	41

Other investigations of the Police Department include: Overweight Vehicles, Spillage of Material, Soliciting, Non-Support, Fugitives From Justice, Receiving of Stolen Property, Arson, Drinking in Public, False Fire Alarm Reporting, Cruelty to Animals, Sexual Assaults, Incest, Lewdness, Littering, Shoplifting, Reckless Conduct, Resisting Arrest, Altering Prescriptions, Issuing Bad Checks, Bench Warrants, Forgery, Parking Tickets, Rape, Illegal Possession of Alcoholic Beverages, Felons in Possession of Firearms, Juvenile Delinquents and many other offenses too numerous to mention.

Respectfully submitted,

JOSEPH MARTIN
Police Chief/City Marshal



BERLIN FIRE DEPARTMENT REPORT

The Fire Department is responsible for the protection of persons and property from fire. This includes fire prevention as well as fire suppression. The Department is also responsible for electrical repair services to all other City Departments including the schools and the Airport plus the traffic signals.

The total number of full time personnel is twenty-four, including the two electricians. In addition, there are twenty-five call men.

The Department operates eleven vehicles; four pumpers, one ladder truck, one tank truck, one jeep, one electrical van, one bucket truck, the Chief's car and the fire prevention car.

The following is a brief summary of Fire Department activities from July 1, 1983 to June 30, 1984.

DESCRIPTIONS	TOTALS
Dwellings	29
Chimney Fires	68
Stores	3
Mills & Factories	6
Garages	4
Brush & Dumps	24
False Alarms	96
Cars & Trucks	19
Service Calls	62
Miscellaneous	24
Inspections	<u>358</u>
GRAND TOTAL	693

Respectfully submitted,

ROBERT J. THERIAULT
Fire Chief



HEALTH DEPARTMENT REPORT

INSPECTION SERVICES OF THIS DEPARTMENT

Restaurant Licenses Issued.....	49
Ambulance Service Licensed.....	1
Ambulance Vehicles Licensed.....	3
Ambulance Attendants Licensed.....	6
Foster Homes Inspected.....	11
Family Day Care Inspected.....	4
Group Day Care Inspected.....	3
Municipal Water Analysis.....	332

MEDICAL-CLINICAL SERVICES

Number of Office Patients.....	546
Number of Office Visits.....	1,000

IMMUNIZATIONS & TESTS GIVEN DURING THE YEAR

Oral Polio.....	123
D.T.P. Injections.....	123
Measles, Mumps, Rubella Vaccine.....	20
T.B. Tests.....	36
T.B. Mantoux Tests.....	5
Immune Serum Globulin.....	2

CLINIC ATTENDANCE RECORD

Monthly Immunization Clinic.....	146
Cardiac Clinic.....	18
Genetics Clinic.....	14
Flu Shots.....	256
B.P. Screening.....	12

PUBLIC HEALTH NURSING

Number of Home Nursing Visits.....	2,044
Number of Home Nursing Patients.....	569
Number of Physical Therapy Visits.....	76
Number of Home Health Aid Visits.....	402
Number of Ambulance Calls in Contract Area.....	817
Number of Ambulance Calls Outside Contract Area.....	174
Number of School Nursing Visits.....	127
Number of School Inspections by Nurse.....	143
Number of Children Referred to State Social Agencies.....	0
Number of Adults Referred to State Social Agencies.....	7

SPECIAL SCHOOL TESTING PROGRAMS

Maico Hearing Tests & Retests.....	156
Eyes.....	72

Respectfully submitted,

ROBERT A. DELISLE
Health Officer



ZONING REPORT

Public Hearings Held.....	3
Appeals Filed.....	7
Variances Granted.....	4
Variances Denied.....	3

Respectfully submitted,

JOHN SCARINZA
Zoning Board Chairman



HOUSING INSPECTOR'S REPORT

Moderate Rehab.	13 Buildings-56 Rental Units
Subsidy Loans	11
Rooming House Permits	30
Inspections Upon Complaints	22
Student Housing	18
Community Development Grants	0
Downtown Rehab. Loans	4
Units Inspected (BHA)	127
Violations Found	37
Violations Corrected	35
Units Condemned	5
Progress Inspections	19
Rooming House Units	105
Structures Inspected	203

This report includes inspections conducted for the Berlin Housing Authority under the Section 8 Program and inspections for the Community Development Department in regards to home improvement and the upgrading of neighborhoods within defined areas in the City.

Respectfully submitted,

NORMAN G. ROLLINS
Housing Inspector

BUILDING INSPECTOR'S REPORT

PERMITS ISSUED	ESTIMATED COST
8 New Homes	\$ 365,000
4 Mobile Homes	77,800
38 Residential Additions	136,845
126 Residential Alterations	425,063
30 Garage, Carports, Storage	86,390
11 Residential Demolitions	2,200
4 Commercial Buildings	187,800
8 Commercial Additions	176,000
29 Commercial Alterations	288,058
2 Commercial Demolitions	2,000
3 Industrial Additions	170,000
7 Swimming Pools	29,000
12 Signs	17,720
23 Siding	92,118
21 Plumbing	38,245
158 Electrical	160,727
484	\$2,254,966

This report excludes estimated cost of construction projects at the James River Corporation.

Respectfully submitted,

FERNAND VILLENEUVE
Building Inspector

COMMUNITY DEVELOPMENT DEPARTMENT REPORT

The Community Development Department functions as the City's professional planning staff and as the administrator of federal grants from the U. S. Department of Housing and Urban Development, the U. S. Economic Development Administration, and other sources. During the period of this report the department continued a number of ongoing projects, implemented some which had been in the planning stage for some time, and began the development of several new projects.

DOWNTOWN REVOLVING LOAN FUND

The Community Development Department has secured funding for a loan program which is available to downtown businesses at a reduced interest rate. This is operated in conjunction with the Berlin Economic Development Council (BEDCO). During this year loans were made for construction and/or rehabilitation to the following businesses: Morin's Shoes; Laverdiere's Drug Store; Maureen's Unique Boutique; the Berlin Reporter; City Hardware; Corner Classics, and a Green Street office building.

MOXIE ALLEY

The Community Development Department is cooperating with the U. S. Soil Conservation Service to construct a new channel for the Dead River through Moxie Alley in downtown Berlin. Current plans call for the construction of a pedestrian mall through the alley, including the installation of trees, benches, and lighting. This attractive area will encourage people to visit the downtown and patronize local businesses. Construction of the channel is planned for 1985.

COOS/UNITY STREET IMPROVEMENTS

The opening of the Cleveland Bridge in 1982 provided a vital link in the East Side Arterial. The Department continued these efforts to provide improved access to the City's industrial sites with improvements along Coos and Unity Streets. In addition to providing a better road surface and rail crossing, this project linked the East Side water system to the downtown via a new 16" main across the Androscoggin.

BERLIN MUNICIPAL AIRPORT

Although commuter air service has been discontinued, the Department continues to work to improve the airport facility itself. Activity during the year included clearing of trees, rehabilitation of the lighting system and the development of preliminary plans which will lead to the eventual rehabilitation of the runway surface itself.

RAILROAD CROSSINGS

Working with the City Engineer and the New Hampshire Department of Public Works and Highways, the Community Development Department has supervised the installation of new signals and road surfaces in the vicinity of the Canadian National Railroad crossings at Mt. Forist Street and Hillside Avenue. Similar improvements across the Boston and Maine Railroad were included in the Coos Street project noted above.

NEIGHBORHOOD IMPROVEMENTS

The Community Development Department continued to provide loans to property owners in the downtown neighborhood for the rehabilitation and improvement of their residential buildings. These loans are available at substantially reduced interest rates and have proved to be very popular. Other activities administered and/or funded with Community Development secured funds were improvements to streets and sidewalks in targeted areas of the City.

IN PROGRESS

During the year the Department accomplished the preliminary steps on several projects which will likely be built in the near future. Chief among these are the reconstruction of the Berlin Airport runway, the reroofing of the City's 44,000 square foot industrial building, and the completion of the road and utility system through the Maynesboro Industrial Park.

Respectfully submitted,

JEFFREY H. TAYLOR
Community Development Director

BERLIN CITY PLANNING BOARD REPORT

The State of New Hampshire's planning enabling legislation assigns the following basic responsibilities to local planning boards:

1. To publish a municipal master plan and plan and promote public interest in and understanding of it.
2. To make investigations and recommendations relating to the planning and development of the municipality.
3. To consult with and advise public officials, agencies and citizens with regard to carrying out the master plan and the development of the municipality.

During the past year, the Berlin City Planning Board met monthly in pursuit of the above responsibilities. Significant accomplishments include:

1. Cooperated with the Berlin Water Works to develop a program for improvements to Berlin's water system, including: A 2M gallon storage tank, a new river crossing, and an ongoing leak detection program.
2. Reviewed all transfers of municipal property and proposed land donations.
3. Studied the problems and alternatives in the Route 110/Route 16 connection problems.
4. Continued study of the paper streets issue and developed background for new City policy on ownership of paper streets.
5. Adopted new Subdivision Regulations to replace the outdated, 20 year old original regulations.

During the coming year, the City Planning Board will continue to plan the future of Berlin and make recommendations for orderly, well-planned, long-range development. The Board meets at City Hall the first Thursday evening of each month, and welcomes private citizens to attend.

Respectfully submitted,

RICHARD H. VAILLANCOURT
Chairman



ECONOMIC DEVELOPMENT REPORT

As of June 30, 1984, Berlin's full time Economic Development Team has been in place and operating for five years and four months and, despite adversities, its cumulative efforts are returning dividends to the City and area economy.

THE ECONOMY - CURRENT SITUATION

National economic conditions have improved substantially over the last year giving an improved outlook to our local economic development activities. While prime interest rates have continued to decline from 16 1/2 percent to a seemingly, relatively stable 12 to 13 percent rate, due to a major decline in inflation to under five percent, the true interest rate is still extremely high. These high relative rates, the uncertainty in money markets due to massive federal deficit overhang, and the massive balance of payments deficit continue to be of concern in long-term capital investment decisions by industry. The recession ended in November, 1982 and future activity indicators are brighter, but the length and depth of the recession took a severe toll from which we are still recovering. On the plus side, inflation is now minimal and national factory utilization rates, from an October, 1982 historic low of 67.4 percent have climbed back over 80 percent to 81.7 percent in June. The improvement of this key indicator will heighten new economic development activity.

THE LOCAL SITUATION

A. The City has been able to maintain a full-time professionally staffed economic development office for the last 64 months at a total City cost of only \$41,729.10 with the balance of expenses for this function coming from federal grants and program interest income earned by BEDCO.

B. With the change from economic decline last year to growth this year, new prospect activity has increased substantially and continued close coordination of our non-profit Berlin Economic Development Council, Inc. (BEDCO), the City's Berlin Industrial Development and Park Authority (BIDPA) and the City Economic Development Office together with the full support of the Mayor and Council, City Administration, and local Chamber of Commerce and business community has helped to provide continued assistance to our industrial economy. These successful working relationships will make take advantage of the business upturn and renewed prospect activity effective and timely. This teamwork helped the Berlin area weather the recession relatively well with the Berlin Job Center unemployment rate, although high, holding below the Berlin Local Office area rate, contrary to past trends. The new coordination of the Area Chamber, the City and the Town of Gorham in industrial promotion will also help. Our Berlin Job Center unemployment rates for the past five years have been: 1979 - 8.6%, 1980 - 6.7%, 1981 - 6.8%, 1982 - 11.2%, and 1983 - 9.0%. For the first six months of 1984, the rate average was 8.1% with a low of 5.9% in June. Our annual employment has remained fairly stable (1979 - 8,070, 1980 - 8,110, 1981 - 8,370, 1982 - 9,110, and 1983 - 8,300) with the unemployment fluctuations caused mostly by differing labor force figures except in 1982.

C. Since October, 1982, our non-profit development financing corporation (BEDCO) has been caught in the middle between two federal agencies, the Economic Development Administration and the Inspector General's Office of the Department of Commerce. Unfortunately, although BEDCO has operated legally and in compliance with its EDA approved grant terms and Loan Administration Plan, BEDCO has been charged with improper actions in violation of other federal rules and regulations. Fortunately, after a year and a half, this matter has now been cleared up satisfactorily, but it placed BEDCO in an untenable position in dealing with EDA and possibly qualifying for a further augmentation grant for its Industrial Revolving Loan Fund.

D. James River Corporation is proceeding with its three year capital investment program, helping to ensure its viability, profitability and stability as Berlin's largest employer.

E. During the past two and a half years, BEDCO has administered the placement of twelve Downtown Revolving Loan Fund loan guarantees totaling \$372,650, for physical improvement of retail and commercial facilities. The funds for these Downtown Revolving Loan Fund guarantees were provided from the City's HUD funded Community Development Small Cities program.

F. While the long economic decline caused some losses to our economic base (Caron Moc, Inc. filed bankruptcy in September, 1981, followed by Northern Fabricators, Inc. and Currier Graphics, Inc. in 1982, and American Skate Corporation in September, 1983), American Skate Corporation has continued to operate, pest-petition, and as of June 30, was continuing to employ 25 people in a smaller facility at the industrial park. These business losses have caused some

major financial loss to both BEDCO and the Industrial Development Authority and some job losses although total new industrial employment since 1979 has remained relatively stable due to expansion of some firms and the addition of new employers.

G. On the plus side, the loss of Caron Moc was more than made up for by the arrival of G. H. Bass in the old Converse plant and the establishment of Munro Enterprises' Oxford Group of New Hampshire to replace Currier Graphics. In addition, A & B Electronics Company, Inc. has moved to the Authority owned NYA building, expanding its space under lease by 6,000 square feet and GAMM, Inc. with Authority assistance, has now constructed two additions totaling 17,500 square feet to its original 10,500 square foot industrial park building. A small new industrial service firm, Nordic Valve, has located on Goebel Street and B & G Automotive Electronics has moved to larger leased quarters on Goebel Street. Isaacson Structural Steel has now completed two buildings on the former dump site on Route 110 which it purchased from the City two years ago. Scanwood and Altama Delta continue to operate successfully with minor changes in status although both are below their highs due to a general shoe industry decline. GTR of Berlin started operations in March at the NYA building and, as of June 30, Shape, Inc., a fast growing Maine manufacturer of audio and video cassettes, announced it would be starting an assembly operation in the Authority owned 44,000 square foot Industrial Park building in July.

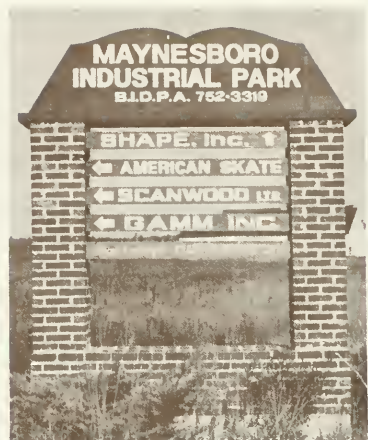
H. New industrial job totals, with all the changes, both losses and gains, were 610 in June, 1984 compared to 550 in June, 1983. While down from the 670 total of June, 1981, the improving economy should cause further job growth as GAMM is planning to add another 15 employees and Shape is projecting in excess of 60 employees.

I. Unfortunately, during this last year, Air Vermont ceased operating its scheduled air service out of Berlin, a loss that will be severely felt.

J. While the new "stitching trades" firms in place provide diversified company employment nearly equivalent to that lost when Converse closed, the City's economic development efforts continue to be directed toward attraction of smaller product and job skill diversified firms and the assistance to existing industries. Although more time consuming and somewhat riskier, emphasis is being placed on attracting or helping firms with larger capital investment per job, products in the metals, wood, plastics and electronics fields and higher paying and frequently more male jobs. The firms sought are more likely to be smaller employers initially but ones with good potential for future growth such as Shape, Inc.

Our improving job stability from employer diversification and increasing manufacturing employment helped Berlin to weather the 1982 national recession reasonably well. From our present relatively stable base, barring a major downturn of the national economy, increased levels of prospect activity should lead to further economic activity and growth. Thus, Berlin can now look to an improving economic future and our continued economic development program efforts, with full governmental and community support, should help ensure this future.

Respectfully submitted,
R. H. SHERMAN, C.I.D.
Economic Development Director



BERLIN PUBLIC SCHOOLS

The 1983-84 school year was one of substantial success for the Berlin Public Schools. In the face of continued fiscal constraints, great progress was made on the educational front. There was a high level of leadership exhibited by the Board of Education, while the high quality professional and non-professional staff proceeded to do all in their power to improve instruction in the schools. Although fiscal problems became more acute, the Berlin Public Schools remained a system of which all Berlin residents can be proud.

In the elementary schools, continued efforts were aimed at improving instruction in reading, language, arts, and mathematics. A revised social studies curriculum was developed and approved and will be put into place for the 1984-85 school year. In addition, a computer literacy program for grades one through four was implemented. This year also marked the retirement of Beverly Moffett, the Brown School principal, after forty years of service to the children of Berlin. She will surely be missed!

In the middle school, the 1983-84 school year proceeded very smoothly. Both staff and students became more comfortable with the grade five through eight structure in its second year, and we continued to provide a high level of service to students. Social studies curriculum review was undertaken and resulted in Board approval of new instructional goals and objectives. Microprocessors were purchased with Chapter II funds and a computer lab was set up. The activities program was expanded and resulted in more children participating after school. Finally, a summer school was begun, and instruction was available in English, math, and computer literacy.

At Berlin High School, the overcrowding eased somewhat due to a slight drop in student enrollments. Problems remain in this regard since enrollment trends and projections do not indicate easing until the 1986-87 school year. In the curricular area, plans were formalized to begin our task of complying with the New Hampshire High School Standards, which will become effective in 1987.

The extra-curricular programs, inter-scholastic and intra-mural, were operated very successfully. Girls' teams in field hockey, basketball, and softball qualified for the state tournament, with the field hockey and softball teams winning the state championships. Boys' teams in hockey, basketball, and baseball made the tournament, and, while none of them won the championship, they proved to be excellent representatives of the city and schools. Each and every one of our student athletes brought good credit to themselves, their parents, the schools, and the City.

There was continued expansion in the special education area with the acceptance of a number of grants which allowed us to build on our cooperative efforts with other North Country school districts. We continued to provide a high level of services to our students due in large part to a very dedicated special education staff.

Our buildings continued to be used by non-school groups. Previously established cooperative efforts were maintained with the Recreation Department, the Community Concerts Association, Theater North, and Special Olympics. This cooperation results from the firm belief held by the Board and administration that the schools are a community resource and should be used, when available, by community groups for the betterment of the community.

A major problem with which we continue to be faced is the maintenance of our physical plant. The reduced budgets of the past five years have forced us to divert resources from plant maintenance to the educational programs. It is imperative that this trend of postponing maintenance be ended. Although the buildings remain structurally sound, we must receive additional funds from the City Council to make important renovations both for handicapped accessibility and safety purposes.

The 1983-84 school year was, once again, a very successful one. We continued to review and revise the educational program and will concentrate on these efforts again during the 1984-85 school year. The Board of Education and all school employees will continue to work very hard for school improvement. In order for our efforts to reach fruition, however, it is imperative that we receive increased support from the community. Education is a social investment which will pay very important dividends.

Respectfully submitted,

ALAN F. FERRIN, Ph.D.
Superintendent of Schools



REPORT OF THE BERLIN HOUSING AUTHORITY

PROGRAM GROWTH

HUD acted favorably on the Authority's 1983 applications to expand its Section 8 EXISTING HOUSING AND MODERATE REHABILITATION programs with the result that at year's end the total number of rental units allocated to the four subsidized housing programs administered by the Authority had increased to 291. Of these, 55 were PUBLIC HOUSING units owned and managed by the Authority (the CLARENCE M. WELCH and HILLSIDE apartment complexes), 42 were subsidized apartments owned by a limited partnership but managed by the Authority (SAINT REGIS HOUSE), and 194 were Section 8 units subsidized under either the EXISTING HOUSING or MODERATE REHABILITATION programs (137 and 57 units, respectively). Apartments in the latter two programs are located in privately-owned buildings scattered throughout the City. All 97 apartments owned and/or managed by the Authority are set aside for occupancy by the elderly or disabled while 98 of the 194 EXISTING HOUSING or MODERATE REHABILITATION units are earmarked for non-elderly families.

It is expected that applications from property owners interested in participating in the Authority's expanded MODERATE REHABILITATION program will be invited during the first quarter of 1984.

PROGRAM NOTES

At the close of 1983, the average housing assistance payment being made monthly to private owners on behalf of EXISTING HOUSING AND MODERATE REHABILITATION tenants was appreciably lower than that made by the Authority the previous December. (An assistance payment is the difference between the gross rent charged and the portion of that amount which the family is required to pay.) This was principally attributable to a 1981 change in federal housing law which requires families participating in the aforementioned Section 8 programs to pay a greater percentage of their incomes for rent, i.e., an assisted family now must pay up to 30% of its adjusted income for rent; prior to the issuance last year of HUD regulations implementing the 1981 Housing and Community Development Amendments, the maximum percentage families were required to pay for rent was 25%. The 25% rule had been in effect since the late 1960's.

The 30% rule also applies to public housing and St. Regis House residents.

AUTHORITY BOARD

Mr. Denis P. Fortier of Seventh Street was appointed to the Authority's Board in December. He succeeded Romeo J. Boulanger. Mr. Boulanger had served as a Commissioner of the Berlin Housing Authority from June of 1969 until his untimely death in August of 1983.

Respectfully submitted,

DONALD MANGINE
Executive Director



BERLIN HOUSING AUTHORITY
BALANCE SHEET
December 31, 1983

ASSETS

CASH	\$ 48,796
ACCOUNTS RECEIVABLE	2,952
ADVANCES - REVOLVING FUND	681
INVESTMENTS	
General Fund	109,377
Security Deposits	3,428
DEBT AMORTIZATION FUNDS	
HUD Annual Contributions Receivable	78,323
DEFERRED CHARGES	
Prepaid Insurance	1,998
LAND, STRUCTURES & EQUIPMENT	1,310,345
TOTAL ASSETS	\$1,555,900

LIABILITIES AND CAPITAL

LIABILITIES	
Accounts Payable	\$ 7,838
Notes Payable	995,525
Prepaid Annual Contributions	39,478
TOTAL LIABILITIES	\$1,042,841
CAPITAL	
Operating Reserves	\$119,916
Cumulative HUD Annual Contributions (net)	393,143
TOTAL CAPITAL	513,059
TOTAL LIABILITIES AND CAPITAL	\$1,555,900



FINANCIAL REPORT

The Finance/Collection Departments are responsible for the recording and record keeping of all financial transactions of the City.

The year end, June 30, 1984, financial reports for the City's General Fund and all other funds are in the accompanying Audit Report.

In addition, this Department administers all Insurance and Retirement Programs for the City and School Departments.

To accommodate the public, the Collection Department is open from 8:30 a.m. through 4:30 p.m. - Monday through Friday.

Respectfully submitted,

ALINE A. BOUCHER
Comptroller/Collector



LOOKING AHEAD

While the year brought the City closer to completing some projects, it was also a time to look ahead and set a long range agenda for Berlin. Listed below are just some of the various projects in discussion. Please take the time to look them over and number the most important to the least important 1 to - to help your City Council decide. Also, add your own suggestions and return this to the City Clerk. Thank you.

- ☐ Housing rehabilitation for existing structures
- ☐ Off street parking in the downtown
- ☐ Improvements to the Moxie Alley downtown
- ☐ Water systems improvements
- ☐ Expansion of the Industrial Park
- ☐ Another industrial park location
- ☐ Demolition of deteriorated structures
- ☐ Airport improvements
- ☐ Completion of Route 110
- ☐ Reuse of vacant city buildings
- ☐ Demolition of vacant city buildings
- ☐ Retail marketing program

- ☐ Stimulate new housing
- ☐ Annual street and sidewalk improvements
- ☐ Assist in developing new jobs
- ☐ Assist expansion of existing businesses
- ☐ A cost effective new Public Works building
- ☐ Seek improvements to regional transportation - rail/road/air
- ☐ Promotion of Berlin for industry - tourism
- ☐ Develop pedestrian bridge to replace Bridge St. Bridge
- ☐ Other(s) _____

COMMENTS: _____



CITY OF BERLIN
BERLIN, NEW HAMPSHIRE

ANNUAL FINANCIAL STATEMENTS
for the year ended June 30, 1984

Honorable Mayor, City Council and City Manager
City of Berlin, New Hampshire

We have examined the financial statements of the various funds and the general long-term obligations account group of the City of Berlin, New Hampshire for the year ended June 30, 1984, listed in the foregoing table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The City has not maintained records of the cost of its general fixed assets and, accordingly, a statement of general fixed assets, required by generally accepted accounting principles, is not included in the accompanying financial report.

Budgetary control over certain grants accounted for in the Special Revenue Funds is maintained on the basis of the fiscal periods of the grants. Accordingly, a Statement of Revenues, Expenditures and Encumbrances - Budget and Actual for those Special Revenue Funds for the year ended June 30, 1984 is not presented as required by generally accepted accounting principles.

The financial statements of the Berlin Water Works, Cemetery Trust Funds, Berlin Economic Development Council, Inc. and the Berlin Airport Authority have not been included as part of the accompanying financial report as required by Statement 3 of the National Council on Governmental Accounting.

As set forth in Note 9 to the financial statements, the City is a party to various legal actions for substantial amounts with contractors and engineers in connection with the construction of a wastewater treatment system. The ultimate liability, if any, resulting from these matters cannot be reasonably estimated and no provision for any liability that may result has been made in the financial statements.

In our opinion, except for the effects of the matters discussed in the second through fourth paragraphs of this report and subject to the effects on the financial statements of such adjustments, if any, as might have been required had the outcome of the uncertainty referred to in the fifth paragraph of this report been known, the financial statements of the various funds and the long-term obligations account group of the City of Berlin, New Hampshire referred to in the first

paragraph present fairly the financial position of those funds at June 30, 1984 and the results of operations of such funds and the changes in financial position of the Industrial Development and Park Authority and Sewer Fund for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for the change, with which we concur, in the method of accounting for accrued vacation and sick pay as described in Note 11 to the financial statements.

The financial statements referred to in the foregoing opinion appear on pages 3 to 26, inclusive, in this report. Our examination was made primarily for the purpose of forming an opinion on these basic financial statements, taken as a whole. The other data included in this report on pages 27 to 31, inclusive, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Coopers & Lybrand

Portland, Maine
September 14, 1984

CITY OF BERLIN, NEW HAMPSHIRE
ALL FUND TYPES AND GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP
COMBINED BALANCE SHEETS
June 30, 1984

	Governmental Fund Types				Proprietary Fund Type Enterprise Funds	Fiduciary Fund Type Agency	Account Group General Long-Term Obligations
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds			
ASSETS							
Cash and cash equivalents	\$ 801,742						
Certificates of deposit	1,000,575						
Taxes receivable - delinquent	581,274					\$6,400	
Taxes receivable - current	41,180						
Accounts receivable	654,117						
Reserve for property taxes	(513,601)				\$ 484,742		
Due from federal and state governments		\$342,530			(28,460)		
Net investment in direct financing leases (Note 5)					39,046		
Due from other funds		90,530	\$15,885	\$862,885			
Due from Berlin Water Works	214,150						
Prepaid expenses and other assets	46,993				12,078		
Inventory					10,120		
Total current assets					517,526		
Investment property (Note 5)					756,732		
Net investment in direct financing leases (Note 5)					695,127		
Property and equipment					359,493		
Wastewater treatment facility (Note 6)					23,098,925		
Accumulated depreciation					(2,496,988)		
Amounts available in Debt Service Funds							\$ 15,885
Amounts to be provided for sick pay (Note 11)							120,000
Amounts to be provided for retirement of general long-term debt by:							
City							5,889,164
State							3,384,951
Total assets and amounts available and to be provided for retirement of general long-term obligations	\$2,826,430	\$433,060	\$15,885	\$862,885	\$22,930,815	\$6,400	\$9,410,000

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
ALL FUND TYPES AND GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP
COMBINED BALANCE SHEETS, Continued

	Governmental Fund Types				Proprietary Fund Type Enterprise Funds	Fiduciary Fund Type Agency	Account Group General Long-Term Obligations
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds			
LIABILITIES							
Accounts payable	\$ 43,377	\$ 62,410		\$474,714	\$ 183,349		
Retainage payable							
Deferred revenue	78,043						
Notes payable and current portion of long-term debt (Note 8)					100,808		
Other liabilities and accrued expenses	257,469	552			41,621		
Taxes collected in advance	1,387,267					\$6,400	
Due to other funds	185,129	275,841		117,764	384,166		
Total current liabilities					709,944		
Accrued sick pay (Note 11)							\$ 120,000
General long-term debt payable (Notes 5 and 8)					1,124,219		9,290,000
Total liabilities	1,951,285	338,803		592,478	1,834,163	6,400	9,410,000
FUND EQUITY							
Contributed capital							
Deficit							
Fund balances:							
Reserved for encumbrances	10,591	9,556					
Reserved for appropriations carried forward	665,362	61,076					
Unreserved:							
Designated for capital projects				270,407			
Designated for debt service	199,192	23,625	\$15,885				
Undesignated	875,145	94,257	15,885	270,407	21,096,652		
Total liabilities and fund equity	\$2,826,430	\$433,060	\$15,885	\$862,885	\$22,930,815	\$6,400	\$9,410,000

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
ALL GOVERNMENTAL FUND TYPES
COMBINED STATEMENTS OF REVENUES, EXPENDITURES, OPERATING
TRANSFERS AND CHANGES IN FUND EQUITY (DEFICIT)
for the year ended June 30, 1984

	General Fund (Note 3)	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
Revenues:				
Local:				
Property taxes	\$5,745,806			
Resident taxes	73,150			
Other taxes	38,492			
Licenses, permits and fees	426,838			
Charges for services	552,299	\$ 206,990		\$ 99,418
Interest income	260,912			
Fines and forfeits	14,716			
Proceeds of general obligation bonds		673		3,200,000
Other revenues	30,888			
Total local	7,143,101	207,663		3,299,418
State shared revenues and grants	2,066,594	717,851	\$523,461	
Federal entitlements and grants		590,200		
Total revenues	9,209,695	1,515,714	523,461	3,299,418

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
ALL GOVERNMENTAL FUND TYPES
COMBINED STATEMENTS OF REVENUES, EXPENDITURES, OPERATING
TRANSFERS AND CHANGES IN FUND EQUITY (DEFICIT), Continued

	<u>General Fund</u>	<u>Special</u>	<u>Debt Service</u>	<u>Capital</u>
	<u>(Note 3)</u>	<u>Revenue Funds</u>	<u>Fund</u>	<u>Projects Funds</u>
Expenditures:				
Current:				
General government	\$ 1,404,148	\$ 280,504		
Public safety	1,402,631	225,000		
Highways and streets	1,158,565	25,000		
Health	133,616	118,769		
Welfare	132,557			
Culture and recreation	207,936	704		
School department	3,990,925	678,641		
Other		152,604		
Debt Service:				
Redemption of serial bonds			\$ 730,359	
Interest on serial bonds			621,609	
Interest on federal aid anticipation notes				\$ 38,670
Interest on bond anticipation notes				25,750
Capital outlays		22,606		26,781
Legal expense				14,607
Total expenditures	<u>8,430,378</u>	<u>1,503,828</u>	<u>1,351,968</u>	<u>105,808</u>
Excess (deficiency) of revenues over expenditures	<u>779,317</u>	<u>11,886</u>	<u>(828,507)</u>	<u>3,193,610</u>
Operating transfers:				
Transfers in		3,988	649,872	217,411
Transfers out	<u>(780,991)</u>		<u>177,500</u>	
Transfer from Berlin Water Works				
Total operating transfers	<u>(780,991)</u>	<u>3,988</u>	<u>827,372</u>	<u>217,411</u>
Excess (deficiency) of revenues over expenditures and operating transfers	<u>(1,674)</u>	<u>15,874</u>	<u>(1,135)</u>	<u>3,411,021</u>
Fund equities (deficit), beginning of year	1,051,884	78,383	17,020	(3,140,614)
as previously reported	<u>(175,065)</u>			
Restatement (Note 11)				
As restated	<u>876,819</u>			
Fund equities, end of year	<u>\$ 875,145</u>	<u>\$ 94,257</u>	<u>\$ 15,885</u>	<u>\$ 270,407</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL
for the year ended June 30, 1984

	<u>Budget</u> (Note 3)	<u>Actual</u> (Note 3)	<u>Actual Over (Under)</u>
Revenues:			
Taxes:			
Property tax	\$ 6,336,153	\$ 6,336,153	
Resident tax	73,150	73,150	
Other taxes	<u>4,590</u>	<u>4,590</u>	
	<u>6,413,893</u>	<u>6,413,893</u>	
Licenses, permits and fees:			
Vehicle permits	275,000	414,102	139,102
City clerk fees	7,500	10,040	2,540
Dog licenses	1,800	1,540	(260)
Junk licenses	100	125	25
Boat licenses	1,500	761	(739)
Restaurant licenses	<u>350</u>	<u>270</u>	<u>(80)</u>
	<u>286,250</u>	<u>426,838</u>	<u>140,588</u>
Intergovernmental revenue:			
Business profits tax	1,570,968	1,570,968	
Railroad tax	3,502	4,120	618
National forest land tax	33,063	33,902	839
School department subsidies	557,919	590,045	32,126
School grants - federal and state	215,039	198,763	(16,276)
School - cafeterias	352,777	262,692	(90,085)
School - vocational funds	78,252	78,252	
Debt service subsidy	55,286	55,286	
Highway department subsidy	105,554	111,744	6,190
Town road aid	48,617	48,617	
Welfare department state funds	500		(500)
Wastewater - state - bond	380,000	380,000	
Water bond	177,500	177,500	
Motor vehicle fees	<u>49,199</u>	<u>49,199</u>	
	<u>3,628,176</u>	<u>3,561,088</u>	<u>(67,088)</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL, Continued

	<u>Budget</u> (Note 3)	<u>Actual</u> (Note 3)	<u>Actual</u> Over (Under)
Charges for services:			
Cemetery trusts	\$ 750		\$ (750)
Health department	50,000	\$ 64,619	14,619
Public works department	<u>39,000</u>	<u>43,442</u>	<u>4,442</u>
	<u>89,750</u>	<u>108,061</u>	<u>18,311</u>
District court fines and forfeits	<u>22,500</u>	<u>14,716</u>	<u>(7,784)</u>
Other:			
General revenue sharing	250,000	250,000	
Interest on delinquent taxes	75,000	93,789	18,789
Interest on investments	170,000	173,907	3,907
Uncommitted taxes	7,500	8,827	1,327
Other	<u>7,250</u>	<u>33,489</u>	<u>26,239</u>
	<u>509,750</u>	<u>560,012</u>	<u>50,262</u>
Total revenues	10,950,319	11,084,608	134,289
Transfers from other funds:			
Industrial Development and Park Authority Fund	<u>43,200</u>	<u>43,200</u>	<u> </u>
Total transfers from other funds	<u>43,200</u>	<u>43,200</u>	<u> </u>
Total revenues and transfers from other funds	<u>\$10,993,519</u>	<u>\$11,127,808</u>	<u>\$134,289</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL, Continued

	Budget (Note 3)	Actual (Note 3)	Encumbrances	Actual and Encumbrances Over (Under)
Expenditures and encumbrances:				
General government:				
Mayor and city council	\$ 32,850	\$ 34,493		\$ 1,643
Administration	269,370	248,614		(20,756)
Elections	5,850	6,503		653
City hall and other buildings	34,878	35,678		800
District court	38,425	42,057		3,632
Insurance	92,500	89,263		(3,237)
County tax	590,347	590,347		
Discounts and abatements	365,000	123,466		(241,534)
Miscellaneous personnel costs	659,214	521,787		(137,427)
Contingent	19,000	17,259		(1,741)
Sundry	67,000	59,530		(7,470)
	<u>2,174,434</u>	<u>1,768,997</u>		<u>(405,437)</u>
Public safety:				
Police department	678,107	672,323		(5,784)
Fire department	658,461	642,964	\$ 1,201	(14,296)
Street lighting	130,000	124,754		(5,246)
Ambulance	68,796	68,523		(273)
Special programs	22,890	20,203		(2,687)
	<u>1,558,254</u>	<u>1,528,767</u>	<u>1,201</u>	<u>(28,286)</u>
Highways and streets:				
Public works department	948,396	859,815	3,721	(84,860)
Capital improvements	424,886	277,926	1,790	(145,170)
Town road improvement	10,218	10,218		
Airport	16,970	16,706		(264)
Pollution control	122,631	98,487		(24,144)
Summer maintenance program	185,800	180,138		(5,662)
	<u>1,708,901</u>	<u>1,443,290</u>	<u>5,511</u>	<u>(260,100)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL, Continued

	Budget (Note 3)	Actual (Note 3)	Encumbrances	Actual and Encumbrances Over (Under)
Expenditures and encumbrances, continued:				
Health	\$ 127,614	\$ 132,577		\$ 4,963
Welfare	185,677	128,523		(57,154)
Culture and recreation:				
Recreation and parks	151,303	138,632	\$ 1,176	(11,495)
Library	67,593	65,175		(2,418)
	218,896	203,807	1,176	(13,913)
Education:				
School department	4,468,206	4,334,737	2,703	(130,766)
Total expenditures and encumbrances	10,441,982	9,540,698	10,591	(890,693)
Transfers to other funds:				
Debt Service:				
Serial bonds	735,000	735,000		(1,074)
Bond interest	517,780	516,706		(1,074)
Total transfers to other funds	1,252,780	1,251,706		
Total expenditures, encumbrances and transfers to other funds	\$11,694,762	\$10,792,404	\$10,591	\$(891,767)
Excess of revenues and transfers over expenditures and transfers		\$ 335,404		

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
GENERAL REVENUE SHARING FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET, ENCUMBRANCES AND ACTUAL
for the year ended June 30, 1984

	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Actual Over (Under)</u>
Police	\$100,000	\$100,000		
Fire	125,000	125,000		
Public works	<u>25,000</u>	<u>25,000</u>		
	<u>\$250,000</u>	<u>\$250,000</u>		<u>-</u>

Amounts above are included in the General Fund Statement of Revenues, Expenditures, Transfers and Encumbrances - Budget and Actual on pages 7-10 of this financial report.

STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUND
for the year ended June 30, 1984

	<u>Balance, July 1, 1983</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 1984</u>
ASSETS				
Taxes receivable - delinquent	<u>\$2,831</u>	<u>\$ 590,347</u>	<u>\$ 586,778</u>	<u>\$6,400</u>
LIABILITIES				
Withheld for other governments	-	590,347	590,347	-
Due to General Fund	<u>2,831</u>	<u>590,347</u>	<u>586,778</u>	<u>6,400</u>
	<u>\$2,831</u>	<u>\$1,180,694</u>	<u>\$1,177,125</u>	<u>\$6,400</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
ENTERPRISE FUNDS
COMBINING AND COMBINED BALANCE SHEET
June 30, 1984

ASSETS	Industrial Development and Park Authority	Sewer Fund	Combined
Accounts receivable	\$ 63,256	\$ 421,486	\$ 484,742
Allowance for estimated uncollectibles	(13,460)	(15,000)	(28,460)
Net investment in direct financing lease (Note 5)	39,046		39,046
Inventory (Note 6)		10,120	10,120
Other assets		12,078	12,078
Total current assets	<u>88,842</u>	<u>428,684</u>	<u>517,526</u>
Investment property (Note 5)	756,732		756,732
Net investment in direct financing lease (Note 5)	695,127		695,127
Property and equipment	359,493		359,493
Wastewater treatment facility (Note 6)		23,098,925	23,098,925
Less accumulated depreciation	<u>(30,338)</u>	<u>(2,466,650)</u>	<u>(2,496,988)</u>
	<u>1,781,014</u>	<u>20,632,275</u>	<u>22,413,289</u>
Total assets	<u>\$1,869,856</u>	<u>\$21,060,959</u>	<u>\$22,930,815</u>
LIABILITIES AND RETAINED EARNINGS			
Accounts payable		183,349	183,349
Notes payable and current portion of long-term obligations (Note 5)	100,808		100,808
Other liabilities and accrued expenses	41,621		41,621
Due to General Fund	<u>104,668</u>	<u>279,498</u>	<u>384,166</u>
Total current liabilities	247,097	462,847	709,944
Long-term obligations (Note 5)	<u>1,124,219</u>		<u>1,124,219</u>
Total liabilities	1,371,316	462,847	1,834,163
Fund equity:			
Contributed capital:			
Capital grants		22,427,949	22,427,949
Less amortization		<u>(2,161,904)</u>	<u>(2,161,904)</u>
		20,266,045	20,266,045
City's contributions	<u>560,167</u>	<u>661,057</u>	<u>1,221,224</u>
	560,167	20,927,102	21,487,269
Accumulated deficit	<u>(61,627)</u>	<u>(328,990)</u>	<u>(390,617)</u>
Total fund equity	<u>498,540</u>	<u>20,598,112</u>	<u>21,096,652</u>
Total liabilities and fund equity	<u>\$1,869,856</u>	<u>\$21,060,959</u>	<u>\$22,930,815</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY
STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT
for the year ended June 30, 1984

Revenues:	
Payments in lieu of taxes	\$ 30,158
Rent	27,470
Interest on net investment in direct financing lease	55,628
Interest income	3,642
Other	<u>748</u>
Total revenues	<u>117,646</u>
Expenses:	
Interest on general obligation bonds	28,200
Interest on long-term borrowing	68,167
Utilities	4,073
Depreciation	11,316
Repairs and maintenance	11,584
Other	<u>820</u>
Total expenses	<u>124,160</u>
Net loss	6,514
Accumulated deficit, beginning of year	<u>55,113</u>
Accumulated deficit, end of year	<u>\$ 61,627</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY
STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1984

Sources of financial resources:

Operations:

Net loss	\$ (6,514)
Deduct items not requiring working capital - depreciation	<u>11,316</u>
	4,802

Reduction in net investment in direct financing lease	568,961
Reduction in investment property	201,055
Contributions to capital	24,552
Increase in long-term obligations	516,000
Decrease in working capital	<u>26,919</u>

Total sources of financial resources	<u>\$1,342,289</u>
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Uses of financial resources:

Increase in net investment in direct financing lease	124,576
Increase in investment property	599,863
Refinancing of long-term obligations	336,539
Payments and current maturities of long-term obligations	80,256
Increase in property and equipment, net	<u>201,055</u>

Total uses of financial resources	<u>\$1,342,289</u>
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Changes in elements of working capital:

Increase (decrease) in current assets:	
Accounts receivable, net	(354)
Current portion of net investment in direct financing lease	<u>(322)</u>
	<u>(676)</u>

Increase (decrease) in current liabilities:

Notes payable and current portion of long-term obligations	34,932
Other liabilities and accrued expenses	14,490
Retainage payable	(5,800)
Due to General Fund	<u>(17,379)</u>

26,243

Decrease in working capital	<u>\$ 26,919</u>
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The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
SEWER FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS (DEFICIT) AND CONTRIBUTED CAPITAL
for the year ended June 30, 1984

Revenue:	
User charges	\$ 428,890
Interest income	9,364
	<u>438,254</u>
Expenses:	
Depreciation	461,978
Salaries and wages	201,145
Plant supplies	40,610
Treatment supplies	17,152
Utilities	87,932
Accounting and collections	4,842
Legal	505,669
Other	850
	<u>1,320,178</u>
Operating loss	881,924
Nonoperating expense:	
Interest expense - general obligation bonds	<u>311,207</u>
	1,193,131
Operating transfers:	
From General Fund	311,207
To Special Revenue Fund	<u>90,280</u>
	<u>220,927</u>
Net loss	972,204
Add depreciation on fixed assets acquired by grants, entitlements, and shared revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>448,757</u>
Decrease in retained earnings	<u>(523,447)</u>
Retained earnings, beginning of year	<u>194,457</u>
Accumulated deficit, end of year	<u>\$ 328,990</u>
Contributed capital, beginning of year	21,268,187
Contribution to capital in aid of construction	107,672
Depreciation on fixed assets acquired by grants, entitlements and shared revenues externally restricted for capital acquisitions	<u>(448,757)</u>
Contributed capital, end of year	<u>\$20,927,102</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
SEWER FUND
STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1984

Source of financial resources:

From operations:

Net loss \$ 972,204

Deduct items not requiring working capital
in the current period - depreciation (461,978)

Working capital applied to operations 510,226

Additions to wastewater treatment facility 107,672

Total funds applied \$ 617,898

Contributions to capital in aid of construction 107,672

Decrease in working capital 510,226

Total funds provided \$ 617,898

Changes in elements of working capital:

Increase (decrease) in current assets:

Accounts receivable, net 228,183

Inventory 820

Other assets 2,078

Due from General Fund (35,582)

195,499

Increase in current liabilities:

Accounts payable 178,500

Due to General Fund 527,225

705,725

Decrease in working capital \$ 510,226

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
STATEMENT OF CHANGES IN GENERAL LONG-TERM OBLIGATIONS
for the year ended June 30, 1984

	Original Issue	Interest Rate Percent	Maturity Date	Principal			Principal Balance, June 30, 1983	Principal Payments		Paid July 1, 1983 to June 30, 1984	Interest	
				Balance, June 1, 1983	Principal Additions	Principal Payments		Due 1985	Due 1985		Due 1985	Subsequent Years
General Obligation Serial Bonds												
School Bonds Outstanding:	\$ 2,250,000	4.8	1990	\$ 875,000		\$125,000	\$ 750,000	\$ 625,000	\$ 39,000	\$ 33,000	\$ 81,000	
School building - 1971	950,000	5.7	1990	400,000		50,000	350,000	300,000	21,375	18,525	51,500	
School building - 1971	3,200,000			1,275,000		175,000	1,100,000	925,000	60,375	51,525	138,200	
Public Improvements Bonds												
-Outstanding:												
Public Improvements - 1966	300,000	4.0	1986	45,000		15,000	30,000	15,000	1,800	1,200	600	
Fiscal year change bonds - 1976	2,000,000	5.375	1986	800,000		200,000	600,000	400,000	37,525	26,875	21,500	
Wastewater Treatment Facility	4,540,000	5.2	1998	3,390,000		230,000	3,160,000	2,930,000	176,280	164,320	1,064,880	
Water Filtration plant bonds - 1976	1,770,000	6.2	1995	1,300,000		100,000	1,200,000	1,100,000	77,500	71,300	375,100	
Sewer bond - 1984	3,200,000	9.46	2003	-	\$3,200,000	-	3,200,000	3,145,000	134,927	289,292	3,573,253	
Amounts to be provided for sick pay	-	-	-	-	120,000	-	120,000	100,000	-	-	-	
	\$15,010,000			\$6,810,000	\$3,320,000	\$720,000	\$9,410,000	\$8,615,000	\$488,507	\$504,512	\$5,173,213	

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A summary of significant accounting policies employed in preparation of the financial statements follows:

Fund Accounting

Financial activities are recorded in the individual funds and the account group described below, each of which is deemed to be a separate accounting entity. A statement of general fixed assets as of June 30, 1984 is not presented as records of their cost are not maintained.

General Fund

Transactions related to resources obtained and used for delivery of those services traditionally provided by a municipal government, which are not accounted for in other funds, are accounted for in the General Fund. These services include, among other things, general government, public safety, highways and streets, health, welfare, culture, recreation and schools.

Special Revenue Funds

Transactions related to resources obtained and used under certain federal and state grants and entitlements and from other sources, upon which restrictions are imposed, are accounted for in Special Revenue Funds. Examples of funds included are the Community Development Block Grants, General Revenue Sharing, Antirecession Fiscal Assistance and Comprehensive Employment and Training Act funds.

Debt Service Fund

Transactions related to resources obtained and used for the payment of interest and principal on general long-term debt are accounted for in Debt Service Funds.

Capital Projects Funds

Transactions related to resources obtained and used for the acquisition, construction or improvement of major capital facilities are accounted for in Capital Projects Funds. Such resources are derived principally from proceeds of general obligation bond issues and from federal and state grants. Included at June 30, 1984 are principally the Wastewater Treatment and South Bridge Projects.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

1. Summary of Significant Accounting Policies, Continued:

Enterprise Funds

Transactions related to the acquisition, development and disposal of industrial land and facilities are accounted for in the Industrial Development and Park Authority Fund. Transactions related to the wastewater treatment facility are supported in part by user charges and accounted for in the Sewer Fund.

General Long-Term Obligations Account Group

Unmatured long-term general obligation bonds payable and accrued compensated absences are accounted for in the Long-Term Obligations Account Group.

Basis of Accounting

The accounts of the General, Special Revenue, Debt Service and Capital Projects Funds are maintained and reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues and assets are recognized when measurable and available to finance operations of the year, and expenditures and liabilities are recognized when obligations are incurred from receipt of goods and services, when assessments are made by the state or, in the case of judgments and claims against the City, when there is a probability that such judgments and claims will result in liabilities, the amounts of which can be reasonably estimated.

Materials and supplies are considered expended when purchased and inventory is not reflected in the financial statements except in the Sewer Fund.

Interest on long-term general obligation bonds payable is recognized when it becomes payable. The City follows the policy of recording property taxes in accordance with Interpretation 3 of the National Council on Governmental Accounting. State shared revenues and resident taxes are recorded on the accrual method and other General Fund revenue, such as motor vehicle permits, on a cash basis. Interest income is recorded as receivable and revenue as earned. State shared revenues and federal revenue sharing assistance is recorded as receivable and revenue as the entitlement occurs. Federal and state reimbursement type grants are recorded as receivables and revenue as the related uses of financial resources are recorded.

The accounts of the Enterprise Funds are maintained and reported on the accrual basis of accounting.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

1. Summary of Significant Accounting Policies, Continued:

Basis of Accounting, Continued

Capital expenditures of the Industrial Development and Park Authority Fund are recorded as investments, at cost, held for subsequent sale.

Employees earn vacation and sick leave as they provide services. Pursuant to certain collective bargaining agreements, employees may accumulate (subject to certain limitations) unused sick pay time earned and, upon retirement, termination or death, may be compensated for certain amounts at current rates of pay.

General obligation bonds supported by general revenues are obligations of the City as a whole and not its individual constituent funds. Accordingly, all unmatured obligations which are backed by the full faith and credit of the City are accounted for in the General Long-Term Obligations Account Group.

General obligation bonds of the City issued for capital investment of the Sewer Fund are included in the General Long-Term Obligations Account Group and are reflected as contributed capital of the Sewer Fund.

2. Budgetary Accounting and Encumbrances:

General governmental revenues and expenditures accounted for in the General Fund, Debt Service Fund and Community Development Grants, General Revenue Sharing, Antirecession Fiscal Assistance and Comprehensive Employment and Training Act Special Revenue Funds, are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the City's operations.

Appropriations in such funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. Even though certain goods and services have not been received, the transactions are accounted for as a use of budgeted appropriations in the year that the commitment is made.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

3. Reconciliation of General Fund Revenues and Expenditures:

General Fund revenues and expenditures reported in the Statement of Revenues, Expenditures, Transfers and Encumbrances - Budget and Actual are presented on the basis budgeted by the City. The amounts differ from those reported in conformity with generally accepted accounting principles in the Statement of Revenues, Expenditures, Operating Transfers and Changes in Fund Equity as follows:

	<u>Revenues</u>	<u>Expenditures</u>
Statement of Revenues, Expenditures, Operating Transfers and Changes in Fund Equity	\$ 9,209,695	\$ 8,430,378
School Grants and Cafeteria - reported in Other Programs Special Revenue Fund	461,455	461,455
General Revenue Sharing - reported in Special Revenue Fund	250,000	250,000
Amounts expensed in other funds	-	53,736
Amounts included in appropriated fund balance and reserved for encumbrances, beginning of year, net	-	(151,725)
Payroll accrual included for gen- erally accepted accounting principles	-	(93,493)
County Tax - reported in Agency Fund	590,347	590,347
State's share of wastewater treat- ment facility general obligation bonds - reported in Debt Service	380,000	380,000
Transfer from Industrial Development and Park Authority Fund - reported in Debt Service Fund	43,200	43,200
Transfer from Berlin Water Works - reported in Debt Service Fund	177,500	177,500
Operating transfers		651,006
Other	<u>15,611</u>	<u>-</u>
Statement of Revenues, Expendi- tures, Transfers and Encum- brances - Budget and Actual	<u>\$11,127,808</u>	<u>\$10,792,404</u>

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

4. Retirement Costs:

Substantially all employees of the City participate in the State of New Hampshire Retirement System. Under this plan, police and firemen contribute 9.3% of annual compensation and all other employees contribute 4.6%. The City's contribution is based upon an actuarial valuation of the State plan as of January 31, 1984, and has been set at 14.31% of annual compensation for police, 15.02% for firemen, .8% for teachers, and 2.27% for all other employees. The City's contribution rate provides for normal cost annually and for amortization of past service cost over 20 years. The amount, if any, of the excess of vested benefits over pension fund assets for the City is not available. Employees of the Public Works Department and certain Recreation Department personnel are covered under a City sponsored plan. The value of vested benefits in excess of the assets of this plan was approximately \$387,200 at September 1, 1983 the date of the latest actuarial valuation. Annual cost includes amortization of prior service costs over periods of 20 (State plan) to 30 (City plan) years. Additional disclosures required by Statement No. 36 of the Financial Accounting Standards Board have not been made as the information is not available. The City's policy is to fund pension costs accrued. Pension expenditures of the General Fund for the year were approximately \$261,100 for the State plan and \$31,100 for the City plan.

5. Industrial Development and Park Authority:

The Industrial Development and Park Authority was established July 15, 1974, pursuant to Chapter 26 of the Laws of 1974. The Authority was reestablished on September 15, 1975 under the provisions of RSA 162-G, for the purpose of acquisition, development and disposal of industrial land and facilities.

Investment property is carried at cost. The investment property is being held for sale and, accordingly, depreciation has not been provided. Rental income may be received until the property is sold. Land and buildings represent property held for rental purposes. The buildings are being depreciated over 30 years.

The Industrial Development and Park Authority has entered into two long-term leases with bargain purchase options at the end of the lease term for buildings and land. These leases have been accounted for as direct financing leases. The minimum lease payments to be received under the capital leases are as follows:

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

5. Industrial Development and Park Authority, Continued:

	<u>Minimum Lease Payments</u>
1985	\$ 88,362
1986	90,762
1987	90,762
1988	90,762
1989	90,762
Later	<u>641,577</u>
	1,092,987
Less unearned income	<u>358,814</u>

Net investment in direct financing leases \$ 734,173

During the year, one of the lessees defaulted on their lease which resulted in cancellation of the entire lease agreement. Accordingly, amounts previously reported in the financial statements as net investment in direct financing leases have been removed from the books and included, at current carrying value, with investment property.

The Industrial Development and Park Authority has long-term debt payable of \$345,000. These bonds are 8% bonds issued in 1974 for an original value of \$450,000. As of June 30, 1984 the requirements for principal and interest in future years is as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1985	20,000	26,800	46,800
1986	20,000	25,200	45,200
1987	20,000	23,600	43,600
1988	25,000	21,800	46,800
1989-1993	145,000	77,000	222,000
1994-1996	<u>115,000</u>	<u>14,200</u>	<u>129,200</u>
	<u>\$345,000</u>	<u>\$188,600</u>	<u>\$533,600</u>

In addition, the Industrial Development and Park Authority has long-term mortgage obligations of \$380,437 and \$499,590 payable to the Berlin Economic Development Council (BEDCO) (see Note 10) and to Indian Head Bank North, respectively. Obligations due BEDCO are at 6% interest and have various repayment schedules up to fifteen years. As the properties become leased, lease payments will be assigned to BEDCO until the outstanding mortgage balances have been repaid. Mortgage payments on the Indian Head Bank North loan are due in monthly installments of \$6,411 including interest at 1 1/2% below the prime lending rate at the First National Bank of Boston through June 1996.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

6. Sewer Fund:

The Sewer Fund was established on January 21, 1980 to develop, implement and administer a system of user charges to assure that each recipient of wastewater treatment services pays a proportionate share of costs of operation, maintenance and capital recovery.

Inventory is stated at the lower of cost or market with cost determined by the first-in, first-out method.

The wastewater treatment facility is stated at cost. Expenditures have been recorded in the Wastewater Treatment Capital Project.

7. Capital Projects Funds Transfers:

The School Building - Vocational Fund, a Capital Project Fund, balance at July 1, 1978 included \$484,312 received from the State of New Hampshire as reimbursement for conversion of approximately 19,000 square feet of Berlin High School floor space into an area vocational center for the communities of Berlin, Gorham and Groveton. The remaining balance of \$2,440, unless appropriated by the City Council for other purposes, must be used to retire the related School Building - 1971 general obligation serial bonds.

Operating transfers to the South Street Bridge Project represent operating transfers from the Community Development Block Grants and Anti-Recession Fiscal Assistance Special Revenue Funds and from the General Fund.

Operating transfers to the Wastewater Treatment Project represent operating transfers from the General Fund.

8. General Long-Term Debt Payable:

General obligation bonds outstanding of \$600,000 issued to finance a fiscal year-end change authorized under Chapter 172 of the Laws of 1975, and general obligation bonds of \$3,160,000 and \$3,200,000 issued to finance the wastewater treatment facility and the Industrial Development and Park Authority general obligation bonds of \$345,000 under Chapter 26 of the Laws of 1974, are not includable in the net indebtedness of the City for the purpose of determining the City's legal borrowing limitation.

The wastewater treatment facility general obligation bonds are guaranteed by the full faith and credit of the State of New Hampshire. The State has agreed to subsidize \$3,384,951 of the remaining debt in installments when due.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

8. General Long-Term Debt Payable, Continued:

General obligation serial bonds payable include \$1,200,000 of Berlin Water Works Bonds which are intended to be repaid from revenues of the Water Works.

As of June 30, 1984, general obligation debt service serial requirements for principal and interest in future years are as follows:

<u>Years Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1985	\$ 775,000	\$ 604,512	\$ 1,379,512
1986	775,000	562,880	1,337,880
1987	730,000	521,573	1,251,573
1988	530,000	486,825	1,016,825
1989	570,000	455,756	1,025,756
1990-1994	2,560,000	1,792,888	4,352,888
1995-1999	2,030,000	1,013,241	3,043,241
2000-2004	<u>1,320,000</u>	<u>340,550</u>	<u>1,660,550</u>
	<u>\$9,290,000</u>	<u>\$5,778,225</u>	<u>\$15,068,225</u>

9. Contingencies:

The City is a defendant in five lawsuits initiated by contractors claiming damages of approximately \$7,700,000 in connection with the construction of the wastewater treatment system. All five suits involve allegations of defective contract specifications and damages and losses that result therefrom. The City has filed a countersuit of approximately \$7,100,000 against these contractors. The City has filed a \$15,000,000 claim for damages against an engineering firm related to the same project. The engineering firm has filed a \$10,000,000 countersuit against the City. All of the litigation is at various phases including settlement discussions and because of the existing uncertainties, the eventual outcome of these contingencies cannot be predicted. The ultimate liability, if any, with respect to them cannot be reasonably estimated and therefore, no liability has been recorded in the financial statements. The City's General Counsel are unable to determine if the results of these matters will have a material effect on the City's financial position.

There are other various claims and suits pending against the City which arise in the normal course of the City's activities. In the opinion of legal counsel and City management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the City.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

10. Related Party Transactions:

The City participates in the operations of the Berlin Airport Authority, which is organized as a separate legal entity under the laws of the State of New Hampshire. The Authority is administered by a Board, the majority of whose members are appointed by the Mayor.

The Berlin Economic Development Council, Inc. (BEDCO) is a nonprofit corporation formed in June 1979 to receive, administer and set policy for a fund available to provide new and existing businesses assistance with their financing needs. The mayor, two councilmen and a City employee are members of a seven-person Executive Committee. At June 30, 1984, the Berlin Industrial Development and Park Authority had loans payable outstanding to BEDCO of \$380,437.

11. Accounting Change - Accounting for Accrued Vacation and Sick Pay:

Prior to fiscal 1984, the City followed the practice of accounting for the costs of vacation and sick pay benefits in the period they were paid. Effective with fiscal 1984, as a result of the National Council on Governmental Accounting's Statement No. 4, the City began accruing such benefits as they were earned.

Beginning General Fund balance has been reduced by \$175,065 to reflect retroactive application of Statement No. 4.

BERLIN'S BOARDS AND COMMISSIONS

The people of Berlin owe a great deal of thanks to their fellow citizens who serve on our many boards and commissions. These people receive no pay and their services are greatly appreciated.

BOARD OF ASSESSORS

John R. Gothreau, Acting Chairman
Arthur J. Bergeron, Jr.
Louis Jolin

BOARD OF EDUCATION

Sylvio H. Laplante, Chairman
Darrill Neal
Carolyn Dorval
Joseph N. Rozek
Alethea Froburg

BOARD OF HEALTH

Edouard M. Danaïs
Philip Tremblay
Louise Marquis

POLICE COMMISSION

Paul Cusson, Jr., Chairman
Hildegarde Mercier
Louis Perrault

BERLIN INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY

Robert Dumont
Donald Duquette
George Arsenaull
Bernard Gallagher
William H. Dunton
Sylvio Croteau
Yvonne Coulombe
Gaston Fillion
Arthur Irwin
James Burns
Richard McLaughlin
Alfred Legere
Maurice Wheeler
Valmore Doucette
Maurice H. Caron
Roland H. Sherman
Mitchell Berkowitz

BOARD OF WATER COMMISSIONERS

Donald E. Borchers, Chairman
Gerard E. Payeur
John S. Sullivan
Francis F. Pisani
Henry O. Pinette

LIBRARY TRUSTEES

Roberta Blais, Chairman
Nathalie Savchick
Lorraine Rivard

BERLIN HOUSING AUTHORITY

Robert R. Morin, Chairman
Jack P. Crisp, Jr.
Albert E. Drouin
Dennis P. Fortier
Marie P. Hughes
Donald Mangine

ZONING BOARD OF ADJUSTMENT

John Scarinza, Chairman
Ronald Goudreau
Herve Blais
Richard Poulin
Ernest Guay
Robert Boulanger
Roland Lamontagne
Ann Conway
Donald Laroche

ELECTION COMMITTEE

Margaret Neil, Chairman
David Gilchrist
Joseph Murray
Raymond Chagnon

CITY PLANNING BOARD

Richard H. Vaillancourt, Chairman
Nicholas C. Darchik
Donald Sloane
Mark Hamlin
Henry T. Cote
Norman Morin
Doris Purington
Maurice Wheeler
Leo H. Montminy
Omer Morin
Joseph J. Ottolini
Donald Borchers
Mitchell Berkowitz

BERLIN ECONOMIC DEVELOPMENT COUNCIL, INC.

Michael O'Neill
Donald Duquette
Alfred Legere
J. L. Aylward
Raymond Chagnon
Valmore Doucette
David Rosenberg
Shellie Bresnahan
David Gilchrist
Lawrence E. Coss
Edward Ferrari
Maurice H. Caron
Margaret Neil
Joseph Ottolini
Alan F. Perrin
Richard Langlois
Paul Campagna
Mark Hamlin
Roland Leighton
Richard M. Day

RECREATION & PARKS COMMISSION

Don Piper, Chairman
Ron Reardon
Dave Roy
Rick Lamontagne
Lucille Jalbert
Albert Chevalier
Phyllis Morin

CEMETERY TRUSTEES

Janet King
Donald Sloane

FINANCE COMMITTEE - ACCOUNTS & CLAIMS COMMITTEE

Joseph Ottolini, Chairman
Gerard Dussault
Ronald Demers
Doris Purington
Richard Ramsay

SAFETY & TRANSPORTATION COMMITTEE

Joseph Murray, Chairman
David Gilchrist
Doris Purington
Margaret Neil

AIRPORT AUTHORITY

Joseph Ottolini, Chairman
David Gilchrist
Joseph Murray
Raymond Chagnon
Ronald Demers
Linda Doucette
Gerard Lemire

MAYORS OF THE CITY OF BERLIN

Hon. Henry F. Marston.....	1897-1899
Hon. John B. Noyes.....	1899-1900
Hon. Frank L. Wilson.....	1900-1901
Hon. Fred M. Clement.....	1901-1902
Hon. John B. Gilbert.....	1902-1905
Hon. George E. Hutchins.....	1905-1908
Hon. Fremont D. Bartlett.....	1908-1910
Hon. Daniel J. Daley.....	1910-1915
Hon. George F. Rich.....	1915-1919
Hon. Eli J. King.....	1919-1924
Hon. J. A. Vaillancourt.....	1924-1926
Hon. Eli J. King.....	1926-1928
Hon. Edward R. B. McGee.....	1928-1931
Hon. W. E. Corbin.....	1931-1932
Hon. O. J. Coulombe.....	1932-1934
Hon. Daniel J. Feindel.....	1934-1935
Hon. Arthur J. Bergeron.....	1935-1938

Hon. Matthew J. Ryan.....	1938-1939
Hon. Aime Tondreau.....	1939-1943
Hon. Carl E. Morin.....	1943-1946
Hon. George E. Bell.....	1946-1947
Hon. Paul A. Toussaint.....	1947-1950
Hon. Aime Tondreau.....	1950-1957
Hon. Guy Fortier.....	1957-1958
Hon. Laurier A. Lamontagne.....	1958-1962
Hon. Edward L. Schuette.....	1962-1965
Hon. Dennis Kilbride.....	1965-1966
Hon. Norman J. Tremaine.....	1966-1968
Hon. Earl F. Gage.....	1968-1970
Hon. Norman J. Tremaine.....	1970-1972
Hon. Sylvio J. Croteau.....	1972-1976
Hon. Laurier A. Lamontagne.....	1976-1978
Hon. Leo G. Ouellet.....	1978-1982
Hon. Joseph J. Ottolini.....	1982-

CITY MANAGERS OF THE CITY OF BERLIN

Stanley Judkins.....	1962-1966
Joseph Burke.....	1970-1973
James C. Smith.....	1973-1978
Michael L. Donovan.....	1978-1983
Mitchell A. Berkowitz.....	1983-

MUNICIPAL OFFICERS

City Manager.....	Mitchell A. Berkowitz
City Comptroller/Collector.....	Aline Boucher
City Assessor.....	Richard J. Stapleton
City Clerk.....	Lise Malia
City Attorney.....	James J. Burns
District Court Judge.....	Wallace Anctil
Treasurer.....	Arthur Irwin
Police Chief.....	Joseph Martin
Fire Chief.....	Robert Therriault
Health Officer.....	Robert Delisle
Building Inspector.....	Fernand Villeneuve
Welfare Administrator.....	Annette Langevin
Recreation and Parks Superintendent.....	Laura Viger
Librarian.....	Inez Hamlin
Superintendent of Schools.....	Alan Perrin
Acting City Engineer.....	Larry Wagner
Superintendent/Chief Operator	
Pollution Control.....	Charles McDowell
Public Works Director.....	Maurice Wheeler
Water Works Superintendent.....	Albin Johnson
Community Development Director.....	Jeffrey H. Taylor
Economic Development Director.....	Roland H. Sherman
Airport Manager.....	Roland Lambert



